



EXECUTIVE FOCUS

# The best objective in life is to be a good ancestor: An interview with Tim Hockey



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Tim Hockey knows a thing or two about leadership. In over 30 years with TD Canada Trust, he has held senior positions in a variety of areas, including mutual funds, retail distribution, information technology, core and small business, credit cards, and personal lending. Most recently, Tim was group head of Canadian banking and wealth management at TD Bank Group and president and CEO of TD Canada Trust. In January 2016, he advanced to become president of TD Ameritrade. After a transition period, Tim will assume the role of president and CEO of TD Ameritrade following the retirement of its current executive.

As a leader, Tim has spent considerable time thinking about his personal mission. That self-definition has changed over time. Recently, he developed a novel construct: the aspiration to be a good ancestor. This thought, he says, probably comes with age, when you start thinking and talking more about your legacy. Being a good ancestor means that you are well thought of by multiple generations in the future, not just by those alive today. That objective helps raise your sights beyond the tactical here-and-now, and reframes them on what you can actually accomplish in this one life you have.

Tim is a graduate of the Ivey Business School at Western University in London, Ontario, Canada. He serves on the board of directors for the SickKids Foundation, the largest non-governmental granting agency in children's health in Canada, and was chair of the hospital for Sick Children's Research and Learning Tower campaign. Tim is on the board of

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the Greater Toronto CivicAction Alliance and served as 2015 honorary chair for the Ride to Conquer Cancer. Tim is also a past winner of Canada's Top 40 Under 40, a program that celebrates Canadians who have reached significant success before the age of 40 in the private, public, and not-for-profit sectors. I recently spoke with Mr. Hockey to discuss his experiences, career trajectory, and personal views on leadership. Following is a transcript of our conversation.

Gerard Seijts for Business Horizons: *Welcome, Mr. Hockey. The titles you've held and now hold are very impressive. Tell us: How did you get to be where you are today?*

Tim Hockey: I guess the story begins when I was 21 years old, in my second year at university, and a customer of Canada Trust. I was very interested in the stock market and read everything I could about it. I started a business consulting to brokers using what was one of the first personal computers: a TRS 80 model sold through Radio Shack. I realized that if I wanted to be a broker when I graduated, I had better find places where there were actually clients with money who might want to hire me. Logically, that place would be a bank, so I joined Canada Trust as a teller.

A few years later, I realized that I actually didn't want to be a broker for the rest of my life; a broker essentially does the same thing for more and more clients and a larger and larger book. I wanted to do different things. I wanted to work with people. I wanted to lead. Canada Trust—and later, Toronto-Dominion (TD) Bank—has a fantastic leadership culture; it is a place that offers opportunities to grow and develop as a leader.

I spent 10 years in the branch channel, from teller right through to district vice president. I did every job in between in the field: branch manager, regional office, you name it. Then I went to IT and became a project manager. My job was to design, build, and roll out the first client-server deployment. This was a huge change project. From there, I went into client products. For example, I ran the Visa business, the small-business group, the bank account business, the mutual fund business, the branch banking channel, and so forth.

All told, I've held 27 jobs over 32 years. I was appointed president and CEO of TD Canada Trust in June of 2008. I remember that, when I was 22 years old, I decided I wanted to be president and CEO of Canada Trust by the time I was 45. I turned 45 in May of 2008. So as it turned out, I missed my long-term goal by a month!

*You made a series of leadership transitions. What experiences did you learn from the most? Was there any particular experience that really propelled you on your path to leadership?*

The biggest transition was the one from district vice president to IT. As DVP, I was the leader of a group of 17 or 18 branches. This was the culmination of 10 years of developing deep expertise in one vertical of the business. I had done the jobs of pretty much everybody that reported to me, so I could relate well to them: I knew their markets, and I knew how they could be successful. I was the expert.

Then, in 1992, I got plucked out by the CIO to run a massive technology project in London, Ontario. I was thrown into a group of people who didn't speak English; they only spoke COBOL and Fortran. They were looking at me, thinking: "Who is this kid, and what is he going to tell us?" I realized very quickly that I did not have any expertise in the function I was now leading—not even much knowledge. The only thing I could rely on was whatever leadership skills I had. I can tell you, that proved to be a big accelerant!

*What do you mean by 'leadership?' Does it mean listening to others? Building consensus? Encouraging and developing your team?*

It is all of those things. Here is a concrete example. My team gave me a pile of things to read. I pulled the first magazine off the top of the stack, and the headline said something like: "Four out of five enterprise-wide client deployment servers fail." Well, I was halfway through the article before I realized that the article was talking about what my team was supposed to pull off: an enterprise-wide client server deployment. In other words, there was an 80% chance of failure when the task was undertaken by experts, let alone by someone like me who didn't know anything about it.

I picked up the magazine and went down the hall to see the person who had hired me into the job. I said: "Hey, look at this. I have at least an 80% chance of failure!" He responded, "Yeah?" I said: "So that means I have an 80% chance of being fired?" He replied: "That's right. You don't screw up a \$100 million-plus project and get to keep your job." Not exactly what I wanted to hear. But it turned out that he was a good leader in the sense that he effectively said, "You and I can do this."

In retrospect, that was an epiphany moment. I started asking myself: "How bad could this situation really be?" I knew I was a good teller—the thing I've always been best at is customer service—and I knew that there were lots of teller jobs out there, so I could always get another job and feed my family.

That was the big realization. Once you make that realization, the focus shifts. In my case, it shifted to “If the experts fail at this four out of five times they try, what can I do differently to make sure the project is going to be successful?” At that point, we began to do things dramatically different within the IT shop. I began to see my job as paving the way for the team to do things in a different way so they could win.

*Many leaders I talk to speak about a single person who showed an interest in them, or who communicated confidence in their potential to lead—someone who provided advice, opened doors, and bet that they would succeed. Did you have the benefit of such a person? If so, what was the lasting leadership insight that he or she provided?*

Most people are lucky to get one really good mentor. I’ve had at least three. One was the district vice president who gave me my first branch as a branch manager. I was in my mid-20s. She took a great personal risk in giving me that job because her boss—in other words, my boss’s boss—didn’t like me very much. As I said at her recent retirement party, had she not made that stand, I would not be here. I would have left because my career path would have been blocked.

She had a profound impact on me, not just because she had courage and faith in me, but because she was also an incredibly warm human being. Her greatest leadership trait was her ability to remember the most minute details of a person’s life. From her, I learned that people don’t care how much you know until they know how much you care. To this day, I’m trying to figure out how to practice that. It’s not easy. I tend to lead with knowledge and data. I tend to go deep on things. I try to wow everybody with knowledge rather than interpersonal skills. My first mentor believed the exact opposite was the right way to lead, and was a fantastic model for that.

My second mentor was the CIO who took a chance on me. This was an extraordinary situation. If I had gotten fired for failing at that project, he would have gotten the axe, too. People would have looked back and asked, “You hired *who* to do *what*?” He taught me a couple of key lessons. One was the importance of managerial courage. He did not micromanage me, even though he had every right to. He wanted new thinking—he was trying to bust up a very insular, stable culture that was resistant to outside thinking—and as he saw it, I was it. So he gave me plenty of rein.

My third mentor was Ed Clark, the former president and CEO of TD Bank Group. I could write books on what I learned from Ed. He was extraordinarily

smart, which demonstrated itself in lots of ways. One was his focus on asking questions. He never once told me what to do. In my entire career, he never gave me a direct order. Instead, he asked insightful, probing questions: What about this? Have you thought about that?

*As you transitioned to more and more senior roles, what were some of the hardest things to learn in becoming a good or even better leader?*

As you move up the ladder, you’re leading more people and more senior people; as a result, your leadership style has to change. When I made the transition from the credit card business to running the branch banking business, I went from leading 1,000 people to 20,000 people. Six months into my new job, Ed Clark asked me what I had learned. I told him my greatest lesson was that the things that had made me successful to date would kill me in the new job.

For example, in the credit card business, you size up a problem, talk to the people you must in order to come up with a solution, and then talk to almost every single person in the business to make sure they heard exactly where the business is going to go. It sounds like a slow process, but in fact, you could act rather swiftly.

In my new role, by contrast, I was running a very large organization that had a pulse, a rhythm, a culture—a particular way of doing things. Geographically, it was a far-flung organization, so you couldn’t possibly speak to all 20,000 people. Ed always said that there is a reason why stage actors wear heavy makeup and shout a lot: It’s because they have to be seen and heard at the back of the room. This is not so easy when the business is dispersed all over the place!

I soon realized that, especially in a well-running business, you must be very careful about the changes you want to implement. It’s like guiding a super tanker: you can turn the wheel and it won’t maneuver the turn for 10 miles. So you’d better decide—and be clear about—where you want to be, because if you lurch the wheel from the left to the right, it won’t move at all. It will just continue on its trajectory. Be purposeful and take your time; that was a valuable lesson.

*What role did mistakes play in your learning process? Can you talk about a leadership mistake that you made and what tangible lesson you learned from it?*

There’s one mistake that I often cite. In early 2009, TD’s retail arm introduced a new ‘inactivity

fee’—a charge on unused lines of credit—that was to go into effect in late April. I still shake my head that we ever thought this was a good idea.

The announcement made headlines. People were concerned, even outraged. We cancelled the idea immediately. The lesson here, of course, is to quickly own up to mistakes and make the necessary reversals, which we did in this case. Afterward, I wrote a short article for TD’s internal blog. The title of my piece was “What were you thinking?”—as in, “What was I thinking?” I shared my musings on the kinds of mistakes I tended to make when I didn’t step back and reflect on a proposal. That inactivity fee idea made it all the way through the giant TD approval apparatus: legal, product, and marketing all signed off on it. But somebody ultimately needed to step back and say: “What? You’re kidding me! Just stop this now!”

Sometimes you simply miss it, right? There is so much going on in a large organization. As blindingly and glaringly obvious as it turned out to be in hindsight, I missed the downside of the initiative. The real point is to learn from those kinds of mistakes. If we had reacted badly to that situation—if we had started shooting anyone who had touched that initiative—the organization would have stopped taking risks and trying to be innovative. How do you protect employees from the thing that an organization will automatically do, especially in this day and age, which is to hunt for scapegoats? It’s a toxically bad thing when an organization sets out to assign blame rather than find the learning.

You have to emphasize within the organization that it’s about learning, not retribution. There are errors of omission and errors of commission. You have to figure out the difference and handle each situation accordingly. For example, there are some decisions that are completely right in the moment but which later turn out badly. That’s a great opportunity for learning. Nobody did anything wrong, per se, but we still got a bad outcome. And sometimes it takes a while for the organization to figure that out. In the meantime, the leader must remain calm and enforce the ‘no witch-hunt’ rules.

*What have you personally experienced as a barrier to learning? How have you tried to overcome that barrier?*

One of the major barriers to learning is getting set in your ways as you get older. You have to fight against that. I’m 52 now and have probably spent more time in the last couple of years thinking about my personal leadership style than I did in the previous 10 years. I focus on what I need to do to question

my deeply held, inbred beliefs. Somebody once said that 20 years in business is “two years, ten times over.” In other words, you have a two-year cycle, and then another two-year cycle in the same industry, and then another. You start to say: “Hey, I’ve seen all this before. I know the answer.” How do you make sure you don’t do that? How do you make sure you ask yourself the new, insightful question, and not get in a rut?

*What’s the answer?*

First of all, you have to be aware when you’re shortcutting. You need to look for the signs that your team is pre-judging your answer because you’ve made a similar-appearing decision before. The best solution is to switch to listening mode rather than telling mode. I don’t know whether or not this is still true, but the American army used to have a rule whereby the most-junior officer spoke first, and then responses were sought from individuals sequentially up the hierarchy; in this scenario, the general speaks last. I think that’s a brilliant rule. It avoids having the most-senior leader anchor the conversation, and fights against groupthink. It also develops leadership courage and judgment in your more-junior leaders.

Let me return to the question about barriers to learning. Above all, you have to get out of whatever comfort zone you’re in. You’ve got to get unfrozen. A couple of years ago, for example, I did stand-up comedy at a charitable event. That was an unfreezing moment! I’ve given many speeches, and as a result, I have no problem talking in front of large groups. But five minutes of stand-up comedy is absolutely terrifying. Ask any senior business leader who’s done stand-up comedy at this particular event, and they will tell you that it’s a life-changing moment. Ultimately, it makes you much more comfortable in your skin because you lose the mentality of having your shields up because you are a senior leader and must be ‘on’ all the time.

Going back to my mentor, Ed Clark: He was so disarming. He was one of the most accomplished leaders in Canada. He loved to dance. He loved the Rolling Stones. Play ‘Satisfaction’ and he’d dance around like a madman, arms flailing; he was a truly awful dancer. We’d laugh with him and loved him for it. Ed’s no dummy. He knew this was a humanizing thing for him to do with his team. I still struggle with this, because I still start from the place that I feel the need to prove to my team that I’m smart rather than human. How do I let down my hair as a leader? I struggle with this every day because inherently I’m an introvert.

*Is this one way that high potentials derail a promising leadership career?*

Absolutely. I work a lot with young people. They often focus more on the technical aspects of the job as compared to the human aspects. Many think that success is all about being really smart and technically accurate, and they don't build relationships and find the solutions to win. I'll give you an example: Working on the \$100 million project in IT, I went around the organization and made 84 presentations in the course of a fiscal year. I spoke to anybody who would listen, big teams or small. It was a critical project and I knew I had to sell, sell, sell. One of my favorite sayings is that intellectual capacity in a bottle isn't worth a damn. If you're really smart and technically capable but it's all caged in—if only you know that your idea is great, and you cannot communicate it, cannot convince others, cannot get them to come along with you for the ride—then you'll fail.

*As a leader, you live in a fishbowl. Judgment calls are visibly questioned and mistakes get amplified. How do you develop resilience? How do you develop the ability to cope with stress and adversity?*

Stress, of course, is a huge part of the leadership role. I often say I don't get stressed anymore. Let me explain, starting with the story about what I call my seven years of hell. It began at the Ivey Business School. In 1995, I went to Ivey to do my EMBA. The program is intense. At that time, my organization was pretty naive about how to handle people who go to business school, and my boss gave me a new job in the middle of me doing the EMBA. The program already felt like full-time school. I was living in London and commuting to Mississauga, Ontario, on the weekends to attend the program. It was tough to fit everything into a typical day. I had a very young family, with a 2-year-old and a 3-year-old. I will never forget the day when I got home from school and my son said: "What are you doing here, Daddy? We don't need you."

I remember waking up at 3 a.m. at my desk at home, working on an assignment. I was shaking uncontrollably because of the stress. My weight ballooned. Those were the first two years of the seven years of hell.

In 1997, I got out of school, transitioned into another job, and moved to Toronto. My family still lived in London, and I was commuting back and forth. In 1998, my wife and I had a little girl, Rosie. The day she was born, we knew there was a problem. Nobody in Canada could figure out what was

wrong and we ended up going down to Johns Hopkins Children's Center in the U.S. At six months old, Rosie was diagnosed with a disorder called neonatal adrenoleukodystrophy. The disease affects only 40 newborns around the world each year.

We met with a doctor who had all these pictures on the wall of couples holding young children. Pointing to the pictures, he said that he could draw red X's through half of them. We asked: "What do you mean? That half the kids die?" He said: "No, no; they all die. I'm talking about divorces."

We lost Rosie when she was two. That was seven years from the start of my EMBA. My stress level was building and building and building. People would ask me how I was and my reaction was always, "I'm fine. I'm handling it." But of course, something has to give, and in my case, it was my health.

But then there was an epiphany moment. It happened the day after Labor Day, in 2001. Earlier that spring, after we lost Rosie in January, we bought a place in Toronto. My wife hated the idea of moving to Toronto; she thought of it as the big city and thought we wouldn't like it. Still, we bought the house, renovated it, and moved in. My wife was afraid she was going to be stuck in the house all alone. On that beautiful fall Tuesday, I called her at 10:37 in the morning—I still remember the exact time. I asked how she was doing, and she said that she couldn't talk because she had eleven women in the kitchen. She'd taken the boys to school that morning, and all the local moms at the elementary school jumped on her, welcomed her into their circle, and became her best friends for the next decade.

The reason I tell that story is because at that very moment, the last piece fell into place. I felt seven years of accumulated stress lift off my shoulders, all at once: *She's happy, we're in Toronto, the family is all together, and everything is going to be good.* I lost 45 pounds over the next six months.

Stress? Today, you cannot stress me out. Today, I have a great job. It's interesting, fun, important, and it pays the bills. Yeah, it's probably stressful by most definitions. But it doesn't stress me out. I look back on those seven years of hell, and after what I went through, nothing's that big a deal.

*What are you learning these days to keep improving as a leader? Have you had any recent "Aha!" moments?*

I recently spoke with a confidante, and he used a phrase that stuck in my head. He said, "You are feared and revered." I joked that I liked the revered part, but not so much the feared part. In fact, I was

taken aback. I asked, “Why is that? Why feared?” The feedback I got was that I was quite intimidating in meetings, which I don’t ever intend to be. I don’t yell. But I do subject people to intensive questioning, because I’m interested and I want to have good debates with everybody. People who meet with me need to be ready to make their case and be able to answer my questions. At the same time, I have to do my part to make them feel comfortable interacting with me.

I remember going on a retreat with my management team. We were having a great late-night dinner, and they all started joking about their initial interviews with me and how they’d been prepped to deal with me. I was frankly embarrassed to learn that they felt they had to be prepped. Again, being feared as a leader is not something I aspire to.

One notion I tried to keep in mind, as I responded to that feedback, is that other people judge you on your actions, whereas you judge yourself on your intentions. In other words, I should watch *my actions*, and ask myself: “Do they understand how I feel about them and the issue?”

Those two pieces of feedback have been my catalyst for change over the last few years. In part, it’s about letting down your hair and showing more of your inner self. That’s one of the reasons I got active on social media: it’s a way of transmitting information to my followers, many of whom are TD employees. And I think I’ve noticed a change in how my team members—I’m talking about individuals four, five, six levels down—interact with me. Rather than being fearful and saying, “Oh my god, it’s Tim—that’s the president!” it’s more like, “Hey, I saw you tweet about this!”

By the way, as a leader, I don’t believe that you should have your social media profile managed by someone else. Many people do, but I think that’s completely inauthentic because you are giving another person the opportunity to use your most intimate voice. Having someone do that on your behalf seems, to me, to be the height of inauthenticity.

*Part of learning to lead involves being open to information, whether solicited or unsolicited. How difficult was it for you to open up yourself to information that you did not expect or necessarily even want to hear?*

That’s one thing I think has been a huge advantage for me: I love feedback, and I try desperately hard not to get defensive about feedback. Somebody once told me that the best advice you can give when you’re coaching someone is: “I’m going to give you *my truth*.” My truth is just my perception.

It’s mine; it’s simply one perspective. When I receive feedback, I start with that frame of reference: what I’m hearing is *their* perspective and *their* truth. They are giving me the world’s greatest gift, and I don’t feel in any way defensive about that. I might disagree, but I don’t feel I have to defend against it. I think I’ve been very open to feedback over time—to the extent that I kept every personality test I’ve ever taken, all the way back to well before my EMBA days with Professor Joe DiStefano. The tests from his leadership class—I’ve got them all!

*Any senior leader needs feedback to course correct on their actions. How easy is it to get candid feedback as a CEO?*

Why do organizations like the Young Presidents’ Organization exist? They are formed around this idea of a forum; and their forum is a group of CEOs who are, by definition, lonely, and don’t get the feedback they want or need. So they have a personal board of directors to which they open their kimono. These other men and women will give them direct feedback.

I believe this is a very important tool for leadership development. First, these people are in your shoes, and they know what personal or organizational challenges CEOs deal with. Second, they’ve got different perspectives on the challenges you face. They offer a wealth of information. It’s an amazingly good tool, a once-a-month, four-hour meeting getting feedback blasted at you.

*Is there a current challenge you’re facing that draws heavily on the leadership skills you have acquired over the years?*

TD has gone through an extraordinary growth period. At one point in the depths of the financial crisis, I believe we were the only AAA-rated bank. We took advantage of our strength and soundness during the financial crisis by expanding into the United States. We went from being a small player—the smallest of the big Canadian banks—to being one of the largest in North America. We went from needing to be successful to winning JD Power’s Best Service in Canada award for 10 years.

So what’s the challenge? The most insidious battle you can fight in large, successful organizations is complacency. How do you get a leadership team to understand that complacency is the silent enemy and you must constantly keep upping your game? Human nature makes this extraordinarily difficult.

It's much easier to be number two, or number seven, and fight hard against the number-one player. How does a leader instill in people that passion for growth and resistance against complacency? That is the big challenge for the organization going forward, especially as we face tough economic times and a different set of competitors.

For example, the capabilities of new technologies are contributing to a massive shift, just at a time when you're tempted to sit back and say: "We've been great. We'll continue to be great." Not necessarily! As I said, you have to keep upping your game. In fact, you can't help but be inspired by the emerging capabilities that the newest technologies provide to make customers' lives easier: mobile devices, the internet of things, the blockchain. Put them all together, and you get incredibly powerful enablers to a better, more convenient, and comfortable life. Who doesn't want to be part of making that happen?

#### *How do you see your leadership future at TD?*

Leadership is a continuous journey. I'm certainly not without energy. I think there are still more horizons to conquer. I've had 27 jobs. I wake up every day and think there are great opportunities to grow and develop as a leader, and also new things to achieve as an organization. Your time horizon changes dramatically for what you want to accomplish. I think in terms of multi-years, now.

I have a little ritual. Each quarter, our investor relations person gives us a white binder. It has everything you need to know as you prepare for your meeting with the analysts and investors. The current quarter says, "43 down, 41 to go." The ritual comes from the first time I ever had a quarterly earnings call. I went home, and my wife asked, "How did it go?" I said: "Great! One down, 83 more to go." She said, "What?" I responded: "I'm 42 years old and bank retirement age is 63. Twenty-one years times 4 quarters is 84 quarters." So I just ticked over the halfway mark. This is the only ritual I have. It is a great reminder to me that you cannot accomplish anything in one quarter, but in 84 quarters, you can change the world. It's thinking about that longer-term journey for me personally, and for whatever organizations

I'm involved with in a leadership capacity. How do I make the most meaningful impact?

*You have discussed the importance of thinking about a personal leadership brand or mission. Can you please explain your approach?*

People often spend time thinking about their personal mission or leadership brand. I've had different versions of those over the years. One of the best—and which I think about a lot these days—is the aspiration to be a good ancestor. This thought probably comes with age, when you start thinking and talking more about your legacy. In my eyes, being a good ancestor means that you are well thought of by multiple generations in the future, not just by those alive today.

That objective helps raise your sights beyond the tactical here-and-now, and reframes them on what you can actually accomplish in this one life you have. You step back from that and say, "How do you live that life?" I know everybody struggles with work-life balance and, frankly, I hate questions around balance. I reject the premise that you are balancing work and life, because it frames the challenge inappropriately. The fact of the matter is that there is only one thing: your *life*. Work is part of your life, and it's a big and important part of it. Hopefully it's just as fulfilling as your family life, your social life, your physical health, your education, your spiritual life—you name it.

For me, work is a very important part of life, and it fuels the rest of the things I would like to achieve. But if you only focus on the work aspect and believe that it is what defines you, you will have wasted opportunities and won't achieve that status of being a good ancestor.

I try to live my life in as balanced a manner as possible, keeping my eye on posterity and trying to be that good ancestor. I do everything hard. I love my job. I love my philanthropic work. I love working with my people. I love my family. I love my sports. I love my vacations. I try to experience everything I possibly can, but in balance.

*Thank you for sharing your thoughts and insights with our readers, Mr. Hockey.*